TENNESSEE REGULATORY AUTHORITY

Pat Miller, Chairman Deborah Taylor Tate, Director Sara Kyle, Director Ron Jones, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

December 15, 2004

Henry Walker, Attorney Boult, Cummings, Conners & Berry 1600 Division Street Suite 700 Nashville, TN 37203-0025

RE: Docket 04-00407

Dear Mr. Walker:

CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of BalsamWest FiberNET, LLC's application for a Certificate of Convenience and Necessity to provide competing facilities based and resold local service in Tennessee, you are requested to provide the following information:

- 1. Estimated cost of network, switches and unbundled network elements (UNE's).
- 2. Most recent audited financial statement including Balance Sheet, Income Statement and Statement of Cash Flow.
- 3. Please provide projected balance sheet (3 years).
- 4. Capital Expenditures Budget (three (3) years) including equipment to be deployed, cost of equipment, and sources for funding Tennessee network, equipment, UNE's: cash, loan commitments, vendor credit letters, letters of credit, etc. (complete detail).
- 5. Is there any special CPE (Customer Provided Equipment) that would not be compatible with an incumbent carrier?
- 6. What funding is available to BalsamWest FiberNET LLC for now and for future use? Please provide a copy of any documents endorsing the funding or any additional resources.

- 7. Please provide a signed and dated Notice of Filing to accompany the Certificate of Service List provided in the application. A sample copy is attached.
- 8. Please provide information regarding any complaints filed with any state or federal regulatory agency against BalsamWest.

Please provide this information by December 30, 2004. In accordance with TRA Rules, please submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. If you have questions concerning this request or need additional information, please contact Lisa Foust at 615-741-2904 extension 220.

Sincerely,

Darlene Standley

Utilities Division Chief

cc: Docket File

Katherine E. Barker Sherry McCuller